



Minnesota Housing eNews Alert

November 4, 2009

Rehabilitation Loan Program Update

Frequently Asked Questions

The Rehabilitation Loan Program, funded by federal HOME Investment Partnerships Program funds, is launched and we thank our lenders for their participation in the program. Minnesota Housing encourages lenders to familiarize themselves with the new program materials and processes. Please document any questions, comments or concerns in writing to Minnesota Housing staff.

In response to questions already received, a [Rehabilitation Loan Program Frequently Asked Questions \(FAQ\)](#) has been compiled for your assistance.

Clarification on Allowed Number of Loans in Process

The [Rehabilitation Loan Program Procedural Manual](#) (p. 21) states that lenders may have up to five loans in process at any one time. A new loan commitment will be allowed when a loan in process is either approved for disbursement of funds by Minnesota Housing, or cancelled by the lender.

This means that if a lender has five loans in process and submits a request for the first disbursement on any of those loans in process, then the lender may commit another loan after Minnesota Housing approves the first disbursement request. The lender does not need to wait until completion of construction to submit a new loan commitment.

Use the Correct Forms

Please be aware that two sets of program forms and manuals currently reside on our website due to the funding source changing on October 1. [Forms should be selected depending on the loan commitment date.](#)

Loans committed prior to October 1, 2009 will use the former state-funded Rehabilitation Loan Program Procedural Manual and forms. These forms will remain available on our website until all loans under the old program are purchased and final docs are received by Minnesota Housing.

Loans committed on or after October 1, 2009 will use the current federal HOME Investment Partnerships-funded Rehabilitation Loan Program Procedural Manual and forms.

Program Manual Updates

Please note, the modified program procedural manuals for the [Rehabilitation Loan Program](#) (for loans committed on or after 10.01.09) and [Emergency and Accessibility Loan Program](#) were posted on November 2, 2009.

Lending Partner Contact Information

Updates and information regarding the Rehabilitation Loan Program are sent electronically through the Minnesota Housing eNews system. The current eNews delivery list is comprised of one contact person from each lender as listed in your contract materials. If other individuals in your organization should receive this information, please email their name and email address to Robert Russell at robert.russell@state.mn.us.

Questions?

Robert Russell, robert.russell@state.mn.us or 651.296.9804

Homes Division Help Desk
651.296.8215 or 800.710.8871 (toll-free)
7:30 a.m. to 5:00 p.m. (business days)